

**FINANCIAL REPORT
VILLAGE OF ALANSON
February 29, 2004**

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Village of Alanson	County Emmet
Audit Date 2/29/04	Opinion Date 7/8/04	Date Accountant Report Submitted to State: 8/31/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Hill, Schroderus & Co., LLP			
Street Address 923 Spring Street		City Petoskey	State MI
Accountant Signature <i>Ray Keane, CPA</i>		ZIP 49770	Date 8/23/04

VILLAGE OF ALANSON
FINANCIAL REPORT
February 29, 2004

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Hill • Schroderus & Co., LLP
Certified Public Accountants & Consultants

July 8, 2004

Village President and Council
Village of Alanson, Michigan

Independent Auditors' Report

We have audited the accompanying financial statements of the Village of Alanson, Michigan, as of and for the year ended February 29, 2004, as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Village of Alanson prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the Village of Alanson as of February 29, 2004, and the revenues it received and expenditures it paid for the year then ended on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The additional information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Village of Alanson. The information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Hill, Schroderus & Co.

CERTIFIED PUBLIC ACCOUNTANTS
Petoskey, Michigan

FINANCIAL SECTION

VILLAGE OF ALANSON
COMBINED STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
ALL FUND TYPES AND ACCOUNT GROUP
February 29, 2004

	<u>Governmental Fund Type</u>		<u>Proprietary Fund Type</u>	<u>Account Group</u>	<u>Total (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>General Fixed Assets</u>	
<u>Assets</u>					
Cash	\$ 36,640	\$ 7,697	\$ 63,214	\$ -	\$ 107,551
Investments	67,529	-	110,862	-	178,391
Long-term advance	-	-	15,724	-	15,724
Fixed assets	-	-	-	307,117	307,117
Total assets	<u>\$ 104,169</u>	<u>\$ 7,697</u>	<u>\$ 189,800</u>	<u>\$ 307,117</u>	<u>\$ 608,783</u>
<u>Liabilities and Fund Equity</u>					
Liabilities:					
Withheld payroll taxes	<u>\$ 2,228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,228</u>
Fund equity:					
Investment in general fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>307,117</u>	<u>307,117</u>
Retained earnings:					
Reserved for sewage operation	<u>-</u>	<u>-</u>	<u>189,800</u>	<u>-</u>	<u>189,800</u>
Fund balances:					
Unreserved:					
Undesignated	<u>101,941</u>	<u>7,697</u>	<u>-</u>	<u>-</u>	<u>109,638</u>
Total retained earnings and fund balances	<u>101,941</u>	<u>7,697</u>	<u>189,800</u>	<u>-</u>	<u>299,438</u>
Total fund equity	<u>101,941</u>	<u>7,697</u>	<u>189,800</u>	<u>307,117</u>	<u>606,555</u>
Total liabilities and fund equity	<u>\$ 104,169</u>	<u>\$ 7,697</u>	<u>\$ 189,800</u>	<u>\$ 307,117</u>	<u>\$ 608,783</u>

See accompanying notes to financial statements.

VILLAGE OF ALANSON
**COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCE**
ALL GOVERNMENTAL FUND TYPES
Year Ended February 29, 2004

	General	Special Revenue	Total (Memorandum Only)
Revenues collected:			
Taxes	\$ 120,213	\$ -	\$ 120,213
State grants	75,413	60,857	136,270
Interest and rentals	35,379	200	35,579
Other	3,763	-	3,763
	<u>234,768</u>	<u>61,057</u>	<u>295,825</u>
Total revenues collected			
Expenditures paid:			
General government	132,738	-	132,738
Public works	183,554	84,384	267,938
Recreation and cultural	2,766	-	2,766
	<u>319,058</u>	<u>84,384</u>	<u>403,442</u>
Total expenditures paid			
Excess (deficiency) of revenues collected over expenditures paid	(84,290)	(23,327)	(107,617)
Fund balance, beginning	<u>186,231</u>	<u>31,024</u>	<u>217,255</u>
Fund balance, ending	<u>\$ 101,941</u>	<u>\$ 7,697</u>	<u>\$ 109,638</u>

VILLAGE OF ALANSON
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS
Year Ended February 29, 2004

	General Fund		
	Budget	Actual	Variance Over/(Under)
Revenues collected:			
Taxes	\$ 135,745	\$ 120,213	\$ (15,532)
State grants	75,413	75,413	-
Interest and rentals	23,581	35,379	11,798
Other	10,945	3,763	(7,182)
Total revenues collected	245,684	234,768	(10,916)
Expenditures paid:			
General government	138,391	132,738	(5,653)
Public works	188,627	183,554	(5,073)
Recreation and cultural	2,766	2,766	-
Total expenditures paid	329,784	319,058	(10,726)
Excess (deficiency) of revenues collected over expenditures paid	(84,100)	(84,290)	(190)
Fund balance, beginning	186,231	186,231	-
Fund balance, ending	\$ 102,131	\$ 101,941	\$ (190)

See accompanying notes to financial statements.

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Over/(Under)	Budget	Actual	Variance Over/(Under)
\$ -	\$ -	\$ -	\$ 135,745	\$ 120,213	\$ (15,532)
61,857	60,857	(1,000)	137,270	136,270	(1,000)
200	200	-	23,781	35,579	11,798
-	-	-	10,945	3,763	(7,182)
62,057	61,057	(1,000)	307,741	295,825	(11,916)
-	-	-	138,391	132,738	(5,653)
84,384	84,384	-	273,011	267,938	(5,073)
-	-	-	2,766	2,766	-
84,384	84,384	-	414,168	403,442	(10,726)
(22,327)	(23,327)	(1,000)	(106,427)	(107,617)	(1,190)
31,024	31,024	-	217,255	217,255	-
<u>\$ 8,697</u>	<u>\$ 7,697</u>	<u>\$ (1,000)</u>	<u>\$ 110,828</u>	<u>\$ 109,638</u>	<u>\$ (1,190)</u>

VILLAGE OF ALANSON
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENSES PAID
AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUND
Year Ended February 29, 2004

	<u>Sewer Fund</u>
Operating revenues:	
Charges for services	<u>\$ 144,608</u>
Operating expenses:	
Public works:	
Sewer service fees	104,899
Contractual debt service	36,942
Personal services	4,114
Supplies	2,702
Other	<u>797</u>
Total operating expenses	<u>149,454</u>
Operating income (loss)	(4,846)
Nonoperating revenues:	
Interest revenue	<u>3,899</u>
Net income (loss)	(947)
Retained earnings, beginning	<u>190,747</u>
Retained earnings, ending	<u><u>\$ 189,800</u></u>

VILLAGE OF ALANSON
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
Increase (Decrease) in Cash
Year Ended February 29, 2004

Cash flows from operating activities:	
Cash received from customers	\$ 144,608
Cash payments to suppliers for goods and services	(145,740)
Cash payments to employees for services	<u>(3,714)</u>
Net cash provided by (used in) operating activities	<u>(4,846)</u>
Cash flows from non-capital financing activities:	
Cash received from long-term advance	<u>4,991</u>
Cash flows from investing activities:	
Interest earned	<u>2,946</u>
Net increase (decrease) in cash	3,091
Cash, beginning	<u>60,123</u>
Cash, ending	<u><u>\$ 63,214</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALANSON
NOTES TO FINANCIAL STATEMENTS
February 29, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village operates under a council-president form of government and provides the following services as authorized by its charter: public safety (fire), highways and streets, sanitation, culture - recreation, public improvements, planning and zoning, and general administrative services.

In evaluating how to define the Village for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Generally Accepted Accounting Principles. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Village is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the Village reporting entity.

Excluded from the reporting entity:

Littlefield Public Schools
Littlefield-Alanson Management Authority

These potential component units have separate boards and provide services to residents, generally within the geographic boundaries of the Village. They are excluded from the reporting entity because the Village does not have the ability to exercise influence or control over their daily operations.

The accounting policies of the Village of Alanson conform to generally accepted accounting principles as applicable to governments. The Village's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The following is a summary of the more significant policies:

A. Fund Accounting

The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues collected, and expenditures or expenses paid, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

A. Fund Accounting - Continued

Governmental Funds

General Fund - The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Proprietary Funds

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues collected, expenses paid, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Sewer Fund is the only Enterprise Fund which the Village currently has in operation.

B. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are to be accounted for in a General Fixed Asset Account Group rather than in governmental funds.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. Fixed Assets and Long-Term Liabilities - Continued

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of long-term loans receivable are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds of the Village are accounted for using the cash basis of accounting. Revenues are recognized when collected and expenditures are recognized when paid.

D. Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to March 1, the President submits to the Village Council a proposed operating budget for the fiscal year commencing March 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the Village Hall to obtain taxpayer comments.
3. Prior to March 1, the budget is legally enacted.
4. Budgets for the General and Special Revenue Funds are adopted at the total fund level on a cash basis. Budgeted amounts are as originally adopted, or as amended by the Village Council during the year. All unexpended appropriations lapse at fiscal year end.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

F. Financial Statement Estimates

The Village uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were assumed in preparing the financial statements.

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village considers all demand deposits in banks to be cash equivalents.

NOTE 2: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. The Village bills and collects its own property taxes from July through September. Property tax revenues are recognized when collected.

The Village is permitted by statute to levy taxes subject to State Headlee and Truth-in-Taxation Provisions up to \$12.50 per \$1,000 of taxable valuation for general governmental services, other than payment of principal and interest on long-term debt, and in unlimited amounts for the payment of principal and interest on long-term debt. The Village is also permitted by statute to levy taxes up to \$5 per \$1,000 of taxable valuation for street improvements.

The tax rate for the year ended February 29, 2004, is as follows:

<u>Purpose</u>	<u>Rate/Taxable Valuation</u>
General operations	5.4522 per \$1,000
Street improvements	3.4860 per \$1,000

NOTE 3: CASH AND INVESTMENTS

At February 29, 2004, the carrying amount of the Village's deposits was \$107,551 and the bank balance was \$147,063.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 3: CASH AND INVESTMENTS – CONTINUED

Investments are stated at market value. The Village has certificates of deposit with maturities ranging from one to twelve months. The nature of the certificates of deposit does not allow for risk categorization, which is in accordance with GASB Statement No. 3.

	<u>Carrying Amount</u>	<u>Market Value</u>
Nonrisk-Categorized:		
Certificates of deposits	<u>\$178,391</u>	<u>\$178,391</u>

Federal Depository Insurance – Of the above balance in cash and investments, \$311,413 was covered by federal depository insurance. The remaining amount was uninsured and uncollateralized. The Village may experience significant fluctuations in deposit balances throughout the year due to varying property tax collections and other activity.

Michigan Compiled Laws, Section 129.91, authorizes the Village to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Village's deposits are in accordance with statutory authority.

NOTE 4: CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance 3/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 2/29/04</u>
Land and buildings	\$102,695	\$ -	\$ -	\$102,695
Trucks, tractors and equipment	171,554	28,306	(8,500)	191,360
Office equipment	<u>13,062</u>	<u>-</u>	<u>-</u>	<u>13,062</u>
Total	<u>\$287,311</u>	<u>\$28,306</u>	<u>\$ (8,500)</u>	<u>\$307,117</u>

NOTE 5: LONG-TERM ADVANCE

In 1996, the Village of Alanson, along with Little Traverse Township and Littlefield Township, advanced moneys to the Harbor Springs Area Sewage Disposal Authority for capital improvements. The advance is to be paid back to the participating governmental units over a period of 10 years. The balance of the receivable for the Village of Alanson at February 29, 2004 is \$15,724.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 6: RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters.

The Village belongs to the Michigan Township Participating Plan, a public entity risk pool currently operating as a common risk management and insurance program for various municipalities throughout the state. The Township pays an annual premium for its general insurance coverage. The pool is self sustaining through member premiums and reinsures through commercial companies for 100% of its claims.

The Village continues to carry commercial insurance for all other risks of loss, including worker's compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7: COMMITMENTS

Sewer Fund - The Village is a participant in a joint sewage disposal system administered by the Harbor Springs Area Sewage Disposal Authority and is committed to share in a portion of all costs, including principal and interest on long-term debt. The Village's portion of long-term debt consists of the following bond issue:

1988 refunding bonds due in annual installments varying from \$18,613 to \$23,931 through January 1, 2009 plus interest at 7.55% to 7.70%.

\$106,360

The annual requirements to amortize the balance outstanding including interest payments of \$25,494 are as follows:

<u>Year Ending</u>	<u>Amount</u>
2005	\$ 26,744
2006	26,669
2007	26,483
2008	26,185
2009	25,773
Thereafter	<u>-</u>
	<u>\$131,854</u>

\$189,800 is available in the Sewer Fund for maintenance of the Village's sewer operation and the contract commitment.

In January, 2002, the Village of Alanson, along with the Harbor Springs Area Sewage Disposal Authority, the City of Harbor Springs, Littlefield Township and Little Traverse Township agreed to construct a new wastewater treatment facility and close the Authority's existing system. Bonds in the amount of \$7,000,000 were issued to pay for the construction. The Village of Alanson currently is paying a portion of the costs, but a payment schedule has not been finalized.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE 8: *RESERVED RETAINED EARNINGS AND DESIGNATED FUND BALANCE*

The Sewer Fund's retained earnings are reserved for maintenance and debt service of the Village's sewer operation.

ADDITIONAL INFORMATION

GENERAL FUND

To account for resources traditionally associated with governments
which are not required to be accounted for in another fund.

VILLAGE OF ALANSON
GENERAL FUND
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - BUDGET AND ACTUAL
Year Ended February 29, 2004

	Budget	Actual	Variance Over (Under)
Revenues collected:			
Taxes	\$ 135,745	\$ 120,213	\$ (15,532)
State grants	75,413	75,413	-
Interest and rentals	23,581	35,379	11,798
Other	10,945	3,763	(7,182)
Total revenues collected	<u>245,684</u>	<u>234,768</u>	<u>(10,916)</u>
Expenditures paid:			
General government:			
Salaries and wages:			
Council	8,122	8,122	-
Clerk	10,771	10,771	-
Treasurer	7,910	7,910	-
Other	4,489	4,489	-
Fringe benefits	2,713	2,713	-
Office supplies	2,172	2,172	-
Operating supplies	2,753	2,753	-
Insurance	15,725	15,725	-
Maintenance and repairs	6,542	6,542	-
Professional fees	11,839	8,464	(3,375)
Telephone	1,980	1,979	(1)
Electric	12,784	12,784	-
Rent	10,600	10,599	(1)
Advertising	1,681	1,681	-
Promotions	2,541	2,541	-
Miscellaneous	9,293	1,944	(7,349)
Capital outlay	26,476	31,549	5,073
Total general government	<u>138,391</u>	<u>132,738</u>	<u>(5,653)</u>
Public works:			
Salaries and wages	31,634	31,634	-
Contracted services	131,914	131,914	-
Fringe benefits	2,713	2,713	-
Operating supplies	4,095	4,095	-
Insurance	1,577	1,577	-
Maintenance and repairs	14,821	9,748	(5,073)
Heat	1,873	1,873	-
Total public works	<u>188,627</u>	<u>183,554</u>	<u>(5,073)</u>
Recreation and culture:			
Parks and recreation	2,766	2,766	-
Total expenditures paid	<u>329,784</u>	<u>319,058</u>	<u>(10,726)</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (84,100)</u>	<u>\$ (84,290)</u>	<u>\$ (190)</u>

SPECIAL REVENUE FUNDS

Major and Local Street Funds - To account for the operations of the street department. Primary financing is provided by the Village's share of state gasoline taxes to be used to maintain streets.

VILLAGE OF ALANSON
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
February 29, 2004

	Major Street	Local Street	Total (Memorandum Only)
	<hr/>	<hr/>	<hr/>
<u>Assets</u>			
Cash	\$ 4,264	\$ 3,433	\$ 7,697
	<hr/>	<hr/>	<hr/>
<u>Fund Balance</u>			
Fund balance:			
Unreserved:			
Undesignated	\$ 4,264	\$ 3,433	\$ 7,697
	<hr/>	<hr/>	<hr/>

VILLAGE OF ALANSON
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES
Year Ended February 29, 2004

	Major Street	Local Street	Total (Memorandum Only)
Revenues collected:			
State grants	\$ 40,242	\$ 20,615	\$ 60,857
Interest	200	-	200
Total revenues	40,442	20,615	61,057
Expenditures paid:			
Public works	66,966	17,418	84,384
Excess (deficiency) of revenues collected over expenditures paid	(26,524)	3,197	(23,327)
Fund balance, beginning	30,788	236	31,024
Fund balance, ending	\$ 4,264	\$ 3,433	\$ 7,697

VILLAGE OF ALANSON
GENERAL FIXED ASSET ACCOUNT GROUP
STATEMENT OF GENERAL FIXED ASSETS
Year Ended February 29, 2004

	Balance March 1, 2003	Additions	Deletions	Balance February 29, 2004
<u>Fixed Assets</u>				
Land and building	\$ 102,695	\$ -	\$ -	\$ 102,695
Trucks, tractors, and equipment	171,554	28,306	(8,500)	191,360
Office equipment	13,062	-	-	13,062
Total fixed assets	<u>\$ 287,311</u>	<u>\$ 28,306</u>	<u>\$ (8,500)</u>	<u>\$ 307,117</u>
<u>Fund Equity</u>				
Investment in general fixed assets	<u>\$ 287,311</u>	<u>\$ 28,306</u>	<u>\$ (8,500)</u>	<u>\$ 307,117</u>